GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA

UNSTARRED QUESTION NO:3120
ANSWERED ON:10.12.2001
COMPANY STATUS TO ALLIANCE AIRLINES
MANIKRAO HODLYA GAVIT

Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether the Government propose to make Alliance Airlines a fully holding company on the lines of Indian Airlines;

(b) if so, the time by which it is likely to be done and the funds proposed to be allocated for the purpose; and

(c) the time by which it is likely to acquire its own aircraft and appoint its own employees in place of personnel of the Indian Airlines who are on deputation alongwith the details thereof?

Answer

THE MINISTER OF CIVIL AVIATION (SHRI SYED SHAHNAWAZ HUSSAIN)

(a) and (b): Airline Allied Services Limited(AASL) is a wholly owned subsidiary of Indian Airlines. AASL is operating an airline in the brand name of Alliance Air. Indian Airlines and Alliance Air are jointly covering total network of domestic air services operated by Indian Airlines earlier i.e. before the transfer of its Boeing 737 aircraft fleet to Alliance Air. There are, therefore, no plans to separate Alliance Air from Indian Airlines.

(c): Alliance Air presently operates 11 B-737 aircraft which have been transferred from Indian Airlines. These aircraft continue to be owned by Indian Airlines. Alliance Air is a subsidiary of Indian Airlines and therefore, IndianAirlines is responsible for acquiring and providing aircraft to Alliance Air.

Indian Airlines has undertaken a techno economic evaluation for acquisition of new aircraft for renewal of its old Airbus A-300 and Boeing 737 aircraft and also to meet traffic growth. On completion of process of acquisition the fleet of Boeing 737 aircraft will be replaced in phases. Activities like major maintenance of aircraft, passenger check-in and ground handling, sales, training of pilots/cabin-crew/engineers as well as security are handled by Indian Airlines on behalf of Alliance Air. The manpower requirements of Alliance Air is met through i) deputationists from Indian Airlines and ii) short-term contract from the open market. The number of employees on deputation from Indian Airlines is at present 76 and directly recruited on short-term contract are 699.